

A Brief Introduction to Lean Concepts for the Office

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Lean principles can be applied in the office.

The focus is still on flow and cycle time reduction, but there are additional challenges....

White Collar Challenges

- **It may be harder to identify your customers**
- **It is harder to see the work flow** – many business process steps are not known, not measured, measured incorrectly or deviate from SOP. There is usually little data or analyses concerning white collar processes. What can not be seen, can not be improved.
- **Professionals are less process oriented**
 - standardization is seen as hampering creativity.
 - they believe everything they do adds value; therefore, waste elimination and standardization do not apply to them.
 - derive some personal value from working around the system or in-spite of the system.
- **It is harder to track waste and costs to specific process steps**

What is Waste?

- ***Waste is anything that does not add value for the customer or***
- ***Anything your customer is not willing to pay for.***

The Seven Office Wastes

- **Over-production & Excess Inventories** – creating information and data that is not requested or used. Providing too much I&D. Storing unused I&D and documents. Unused or OBE SOPs. Excess meetings. Meetings that produce no results. Working on low priority items while high priority items wait.
- **Waiting** – for approvals, for I&D, for admin processing, unable to access people or I&D, unable to get I&D at the point of use.
- **Defects** – wrong/inaccurate I&D, specs, drawings, requirements. Late I&D. Rework of documents, specs, requirements, etc. Sending I&D to the wrong people. Telecons and meetings to correct errors. Meetings with people who can not make decisions or provide help. Missed deadlines. Non-standardized communications media. Poor filing systems.
- **Employee Motion & Transportation** – moving I&D, and documents. Paperwork loops. Flying or driving to meetings. Excess walking.
- **Over-processing** – over-engineering, redundant inspections, layers of document review, unnecessary requirements, incomplete requirements, changing requirements, requiring more I&D than is needed, and many who can say “no” but not “yes”.

Lean Implementation

- **Identify your customers and their requirements**
 - internal and external customers
 - practice “next step as your customer”
- **Map your present state value stream**
- **Map your desired future state value stream**
- **Identify physical & policy bottlenecks**
 - remove or mitigate all bottlenecks
 - eliminate or change dysfunctional metrics that drive people to do stupid things
 - the largest process delays indicate the source of the greatest inefficiencies and poorest quality
- **Simplify, eliminate, combine and standardize process steps**
 - Why do we do this? Are we required to do it?
 - Who benefits from this step?
 - Does the customer care about this step?
 - Can we make the new process intuitive and easy to use?
 - Can we all do it one way? Standardize.
- **Optimize the total system, not individual process steps**
- **Train and sustain the new process**
- **Repeat**

Identification card example: How do we reduce waiting time for renewals and new cards?

Some questions we might like answered:

- Is there a standardized process? Is it being used? When was the last time it was reviewed?
- When was the last time the office staff were given refresher training?
- On average, how many people are waiting?
- On average, how long does it take to issue one card?
- On average, how many cards are completed per day?
- What are the largest sources of delay in the process? Why?
- Is there any rework? Why?
- Are some cards easier or harder to process than others? Why?
- Are some days busier than others? Why? Can we encourage people to come during off-hours or off-days? How?

VALUE

- ***The customer must be willing to pay for it.***
- ***It must transform the product.***
- ***It must be done right the first time.***
- ***If you pulled this step, would the customer miss it? If no, then why are you doing it?***